

17 July

MEMORANDUM FOR:

ADDS&T  
C/CI Staff/ICS



Gentlemen, please provide the DCI with a short briefing on computer security. An initial one-to-two page written presentation will suffice.

The DCI was particularly taken with the 16 July Reuter's article on the expected spy scandal in Britain's Electronic Intelligence Headquarters.

The DCI assumes NSA has the major responsibility in the field of computer security and thus would also like some input on what, in addition to our efforts, we know NSA is doing in this field. Pls provide answer by COB 19 July, if possible. <sup>Date</sup> Thanks,

*old DCI  
memo  
chron*

STAT

STAT

++R295

R 10824)1BYLITCHYD

±7AM-SPY (2 TAKES)±

7BY JAMES ANDERSON±

LONDON, JULY 16, REUTER -- A MAJOR SPY SCANDAL IS ABOUT TO BREAK OVER BRITAIN'S ELECTRONIC INTELLIGENCE HEADQUARTERS, ACCORDING TO REPORTS CIRCULATING AMONG MEMBERS OF PARLIAMENT TODAY.

NO DETAILS OF THE CASE HAVE LEAKED OUT, BUT PARLIAMENTARIANS HAVE BEGUN PRESSING PRIME MINISTER MARGARET THATCHER FOR INFORMATION.

THEIR QUESTIONS, SUBMITTED IN WRITING FOR MRS. THATCHER TO ANSWER IN THE HOUSE OF COMMONS NEXT WEEK, CONTAIN BROAD HINTS ABOUT THE STORIES THEY HAVE BEEN HEARING.

THEY POINT TO A MAJOR FOREIGN PENETRATION OF COMPUTER-STORED SECRETS AT ONE OF BRITAIN'S MOST CLOSELY GUARDED INSTALLATIONS, THE GOVERNMENT COMMUNICATIONS HEADQUARTERS AT CHELTENHAM, 100 MILES WEST OF LONDON.

A CHELTENHAM TAXI DRIVER, GEOFFREY PRIME, 44, WAS CHARGED YESTERDAY WITH UNSPECIFIED ACTS OF ESPIONAGE. THE CHARGES SAID ONLY THAT THESE ACTS HAD BEEN GOING ON FOR 14 YEARS. STRICT LEGAL RESTRAINTS ARE IN FORCE BECAUSE THE CAB DRIVER'S CASE IS NOW BEFORE THE COURTS.

POLITICAL SOURCES SAID THE GOVERNMENT WAS SERIOUSLY CONCERNED THAT A WIDE NETWORK OF SPIES WAS ABOUT TO BE EXPOSED.±

R 10840)1BYLIYCCYN

±7AM-SPY 2 LONDON±

ONE MEMBER OF PARLIAMENT, DONALD ANDERSON OF THE OPPOSITION LABOR PARTY, TOLD REPORTERS HE EXPECTED A MAJOR SPY SCANDAL TO BREAK NEXT WEEK.

THE INNOCUOUSLY NAMED COMMUNICATIONS HEADQUARTERS IN CHELTENHAM IS THE CENTER FOR BRITAIN'S ELECTRONIC EAVESDROPPING ON FOREIGN POWERS AND FOR THE BREAKING OF FOREIGN CODES.

IT IS A FIELD IN WHICH BRITAIN COOPERATES CLOSELY WITH THE UNITED STATES, DIVIDING UP THE WORK AND SHARING THE RESULTS. THE PARLIAMENTARY QUESTIONS WHICH MRS. THATCHER WILL FACE ON TUESDAY ASK, IN CAREFULLY COUCHED GENERAL TERMS, WHETHER SHE IS SATISFIED WITH THE SECURITY ARRANGEMENTS AT CHELTENHAM AND WITH THE METHODS USED TO PROTECT COMPUTER-STORED INFORMATION FROM SPYING BY FOREIGN POWERS.

LABOR LEGISLATOR ARTHUR DAVIDSON TOLD REPORTERS TONIGHT:

"THERE IS OBVIOUSLY GREAT DISQUIET AND UNEASE ABOUT RUMORS AND SPECULATIONS OF A MAJOR SPY SCANDAL. THE PRIME MINISTER, WHO IS RESPONSIBLE FOR THE SECURITY SERVICE, MUST, IF AT ALL POSSIBLE, MAKE A FULL STATEMENT AT THE EARLIEST MOMENT."±

REUTER 1909 MM